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September 22, 2005

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FDIC-San Francisco Regional Office
Director John F. Carter
25 Jess Street at Ecker Square, Suite 2300
San Francisco, CA 94105

RE: Wal-Mart Entering Banking Industry

This letter is sent in opposition of the Wal-Mart application for FDIC insurance for its industrial loan company (ILC) in Utah. As a \$90MM locally owned bank in eastern Nebraska, I oppose mixing banking and commerce like this.

- Our town of 1200 currently has a Super Wal-Mart center 7 miles away. Our main street business district, which used to consist of a drug store, hardware store, and a profitable grocery store, is now limited to a marginal grocery store – only.
- Our local youth sports organization recently raised over \$300,000 to build a new baseball/softball complex. Our bank donated \$50,000 to the project --- Wal-Mart donated \$500. They do not financially support local non-profit organizations other than allowing them to have a car wash or bake sale at their facility.
- Congress stated its opposition to the mixing of banking and commerce when it enacted the Gramm-Leach-Bliley Act. Mixing banking and commerce represents bad public policy that could jeopardize the impartial allocation of credit and create conflicts of interest.
- While the Wal-Mart ILC application in Utah does not seek broad "banking" powers, once a charter is granted, expanded powers, including nationwide branching, could be sought. The vast resources brought to the table by Wal-Mart would have an adverse impact on community banks, in much the same manner that Wal-Mart's presence has had on other retail establishments in the community in which it has located. This is very evident in our community's lack of commerce.
- A nationwide banking operation by Wal-Mart would pose a significant systemic risk. The potential size of a Wal-Mart banking operation would represent an ill-advised and unprecedented concentration of economic power.

Please consider these comments when you are reviewing the Wal-Mart application. By approving this application, our banking industry would suffer.

Sincerely,

A handwritten signature in cursive script that reads "Carol Wasenius".

Carol Wasenius, EVP
Two Rivers State Bank

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